



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

Fiscal Note On: **SB 32** SLS 18RS 119  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 2, 2018 10:55 AM	<b>Author:</b> HEWITT
<b>Dept./Agy.:</b> St. Tammany Parish Hospital Service District No. 2	<b>Analyst:</b> Andree Taylor
<b>Subject:</b> Board Membership/Per Diems/Number of Meetings	

HOSPITALS EG INCREASE LF EX See Note Page 1 of 1  
 Provides relative to the St. Tammany Parish Hospital Service District No. 2. (8/1/18)

**Purpose of Bill:** This measure provides for the responsibilities of the state senator to include ensuring the proper appointment of all members of the nominating committee and appointing authority; calling and providing proper notice of meetings; and providing appropriate documentation of all meetings of those bodies. The bill also establishes term limits for the nominating committee and appointing authority and clarifies the geographical area where appointees must reside.

In addition, the bill removes the domicile requirement for Slidell Memorial Hospital staff serving on the Board of Commissioners and provides for contracting and subcontracting requirements. Finally, this bill increases the per diem paid to those serving on the Board of Commissioners and increases the maximum number of meetings per month for which members can be paid.

EXPENDITURES	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						

  

REVENUES	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

**This bill may increase local fund expenditures for St. Tammany Parish Hospital Service District No. 2.**

The proposed bill provides for an increase in per diem paid to each member on the Board of Commissioners from \$75 to \$100 for each board meeting attended and increases the maximum number of meetings per month from 3 to 7 meetings. Also, the bill increases the number of meetings per month for the Board Chairman from 3 to 10 meetings. Currently, the district consists of 9 members who each receive \$75 for attending a maximum of 3 meetings per month.

If the Board of Commissioners meets for the **present maximum allowable meetings at the current per diem**, the annual cost would be \$24,300 (\$75 per diem X 36 meetings X 9 board members). If the board meets for the **increased maximum number of meetings at the increased per diem (\$100) as provided for in the bill**, the expenditures would total \$79,200 annually (\$100 per diem X 84 meetings X 8 board members + \$100 per diem X 120 meetings X 1 board chairman). Therefore, the proposed legislation would increase local fund expenditures **by a maximum** of \$54,900 annually (\$79,200 - \$24,300).

However, according to the **Hospital District, a more realistic estimate** would be an annual increase of approximately \$22,000. A hospital official informed us that the actual 2017 payments to all board members totaled \$16,950 for 390 meetings attended. Based on this information, the District projects proposed maximum increases would be approximately \$22,050 annually [\$100 per diem (in bill) X 390 meetings attended = \$39,000 - \$16,950 (actually paid to members in 2017) = \$22,050].

**REVENUE EXPLANATION**

**There is no anticipated direct material effect on governmental revenues as a result of this measure.**

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Michael G. Battle**  
 Manager, Advisory Services